

## Why buy car insurance?

- The law requires it.
- Without it, **you pay**, from your own pocket, for injuries and property damage that you cause to others.
- The odds are, you will need it. The *National Highway Loss Data Institute* says:
  - The risk of an accident per mile driven among 16 to 19 year olds is four times the risk of older drivers.
  - Risk is highest at age 16, with the crash rate per mile driven almost three times as high as the risk among 18-19 year-olds.
  - Car accidents are the number one cause of death among 16-19 year olds.



**If you get into an accident...**

Exchange information with the other driver involved:

- ✓ Other driver's name
- ✓ Address and phone number
- ✓ Driver license number and state
- ✓ Insurance company name (look at their insurance card)
- ✓ Policy number
- ✓ Agent name and phone number

## When it's time to shop for auto insurance...

Contact the Arizona Department of Insurance for an *Auto Insurance Premium Comparison* and other auto insurance resources ~

(602) 364-2499

(800) 325-2548

[www.id.state.az.us](http://www.id.state.az.us)

# TEEN DRIVER'S GUIDE TO AUTO INSURANCE

## Important Questions and Answers About Auto Insurance

Every time you get behind the wheel, you are taking a risk...the risk of an auto accident. Be prepared!



## State of Arizona Department of Insurance



2910 N. 44<sup>th</sup> Street, Ste. 210

Phoenix, AZ 85018

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### ***What if I choose not to get car insurance?***

It might cost you more in the long run!

- You could be ticketed and fined between \$500 and \$1,000.
- Your vehicle registration could be suspended.
- Your driver's license could be suspended.
- Your vehicle could be impounded.
- If you cause an accident, you or your parents could be sued.
- When you finally want coverage, you'll find most insurers charge higher rates for previously uninsured drivers.

### ***How much insurance do I need to drive?***

If you just want to meet legal requirements, you need to buy **minimum liability** coverage—"15/30/10". If you cause or contribute to an accident, the *most* this coverage will pay per accident is:

- \$15,000 for medical expenses per person injured;
- \$30,000 maximum for medical expenses of *all* those you injure in any one accident; and
- \$10,000 toward fixing the damage you cause to someone else's vehicle or personal property (fence, signs, etc.).

Be aware that **minimum liability** limits may not be enough to repay someone you injure, or whose property you damage, in

an accident and you could be obligated to make up the difference.

### ***What's missing?***

The law does *not* require you to buy insurance to cover damage to or theft of your own vehicle (however, if you owe money on a car loan, the bank or lienholder might require it). If you want coverage for your own vehicle, you need to buy:

**Collision** and **Comprehensive** coverages.

If your car is stolen, or damaged in an accident that is your fault (or if the at-fault driver is *uninsured*), this insurance coverage will help you repair or replace your vehicle.

For more information on *all* the types of auto insurance coverage you can buy, contact the Department of Insurance for a free brochure, or ask an insurance representative.

### ***How can I lower the cost of auto insurance?***

- **Drive safely!** Avoid tickets and accidents. Your driving record has a huge impact on what you pay for insurance.
- Drive a safe, reliable vehicle. Sports cars and high profile vehicles contribute to increased injuries, which means they cost more to insure.

- Get good grades! Many insurers offer a *good student discount* for a "B" or better grade average.
- Ask your insurance representative about a higher **deductible** (if you buy Comprehensive and Collision coverage). Your deductible is how much you pay *out of pocket* for a claim for damage to your car.
- Ask about **discounts** for driver education classes.
- **Shop around!** There are lots of insurance companies and there's a *wide* range in what each charges for insurance.
- **Don't drink and drive.**

### ***What if I have a problem with my insurance company or agent?***

To ask insurance questions, request pamphlets, or file a complaint, contact:

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Department of Insurance**

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